

## 074 - TREASURER-TAX COLLECTOR

### Operational Summary

#### Mission:

To provide efficient and effective investment, cash management and property tax collections services for the County, cities, special districts and school districts.

#### Strategic Goals:

- Continue to provide an effective, responsive, competitive organizational and operating structure.
- Increase Department value and goodwill.

#### Key Outcome Measures:

Performance Measure	FY 99-00 Results	FY 00-01 Target	How are we doing?
<b>NET INVESTMENT RETURN.</b> <b>What:</b> Obtain a portfolio yield that meets or exceeds the 90-day US T-Bill and money market benchmarks. <b>Why:</b> To continue to provide efficient and effective investments to our clients.	Exceeded T-Bill by 71 basis points. Exceeded money market benchmark by 24 basis points.	Continue to exceed benchmarks.	On target.
<b>ADMINISTRATION FEE CHARGED TO POOL PARTICIPANTS.</b> <b>What:</b> Decrease administration fee. <b>Why:</b> To provide a modest investment return to pool participants with minimum administrative costs.	Decreased by approximately 3 basis points.	To decrease ¾ basis point.	On target.
<b>RATING OF INVESTMENT POOL.</b> <b>What:</b> Maintain highest rating. <b>Why:</b> To enhance public confidence.	Reaffirmed AAA/V1+ rating.	Maintain rating.	On target.
<b>STATE PROPERTY TAX COLLECTION RATES FOR SECURED AND UNSECURED PROPERTY.</b> <b>What:</b> Exceed State property tax collection rates for secured & unsecured prop by minimizing unpaid taxes. <b>Why:</b> To maximize collections in property taxes for service recipients and County General Fund.	Maintained secured collection percentage ranking at 5th highest. Improved unsecured collection percentage from 13th to 7th highest.	Maintain percentage rankings.	On target.
<b>INVESTED CASH MANAGEMENT POSITION (PERCENT OF AVAILABLE FUNDS INVESTED).</b> <b>What:</b> Maintain a maximum invested cash management position. <b>Why:</b> To enhance portfolio returns on invested cash by minimizing idle funds.	Achieved 99.7 percent invested cash.	Maintain invested cash management position.	On target.

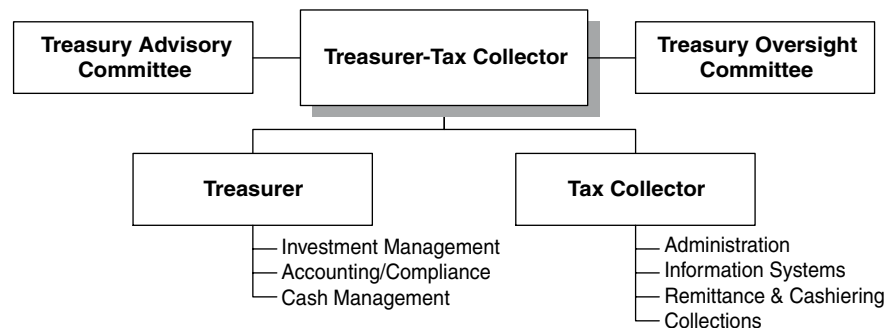
#### At a Glance:

Total FY 1999-00 Actual Expenditure + Encumbrance:	8,134,658
Total Final FY 2000-01 Budget:	8,862,155
Percent of County General Fund:	0.43%
Total Employees:	89.00

### Fiscal Year 1999-00 Key Project Accomplishments:

- Achieved an investment return greater than the money market index.
- Achieved a maximum 99.7 percent invested cash position.
- Maintained AAA/V1+ Fitch rating.Reduced reportable compliance deficiencies by 50%.
- Completed Phase I for document image storage and retrieval.
- Automated bank reconciliations.
- Completed all major modules of Assessment Tax System-Phase II.
- Continued to be proactive in the legislative process. Eight proposals submitted by our Department were signed into law. Have received approval on three significant legislative proposals from California Association of County Treasurers and Tax Collectors for the 2000 session of the Legislature.
- Provided Web-based access to Treasurer-Tax Collector information.
- Added two outside pool participants.
- Achieved Y2K compliance.
- Improved communication with municipal finance professionals, County departments/agencies and elected officials in Orange County.

### Organizational Summary



**TREASURER-TAX COLLECTOR** - Provides centralized Treasurer and Tax Collection services for the County of Orange.

**TREASURER** - Responsible for the receipt, custody, depository, investment, and recording of funds for the County, school districts, and special districts. Responsibilities also include issuance of short-term debt on behalf of the County, school districts, and administration of the 1992 Defined Benefit Retirement Plan. In addition, this office acts as trustee in connection with unclaimed property and is responsible for the issuance, billing, collection, redemption, and foreclosure of improvement bonds.

**Investment Management:** Provides portfolio management, broker/dealer relations, investment/economic research, liaison for oversight committees, and custody relation services.

**Cash Management:** Provides banking relation services, cash forecasting, and defined benefits.

**Accounting/Compliance:** Provides financial reporting, fund accounting, general ledger reconciliations, bank reconciliations, and investment compliance services.

**TAX COLLECTOR** - Responsible for collecting taxes on all secured and unsecured property in Orange County. In addition, this office is responsible for the sale of property subject to the power to sell, formerly known as delinquent tax deeded property. As well as collecting Annual Racehorse Taxes, Transient Occupancy Taxes, and Public Defender judgments, the Tax Collector also provides remittance processing services, information system services, and departmental administrative support.

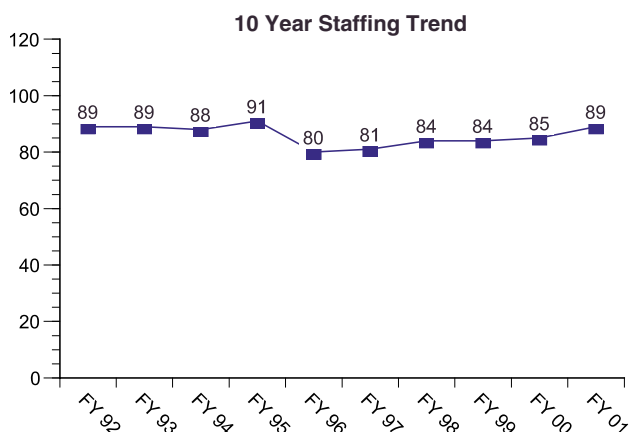
**Collections:** Provides centralized tax compliance services for delinquent unsecured tax collections, prior year secured property tax collections, public defender judgment collections, public information services, property tax problem payment processing, and general correspondence.

**Remittance & Cashiering:** Provides automated remittance processing for all property tax rolls, refund accounting, tax roll accounting, and cashiering for the Treasurer.

**Administrative Services:** Provides tax roll reconciliations, purchasing, contract administration, human resources, payroll services, budget, facility operations, telephone, and network services for the Treasurer and Tax Collector Offices.

**Information Services:** Provides systems development and maintenance support for numerous Treasurer-Tax Collector applications required for the depositing, accounting, and collecting of funds.

### Ten Year Staffing Trend:



### Ten Year Staffing Trend Highlights:

- The County of Orange continues to grow. As noted in the recent CEO publication, County of Orange 1999, Facts & Figures, the County population has grown from 2.4 million in 1990 to 2.8 million (estimated) for 1999. In addition, the number of real property tax bills has increased from 702,000 to 746,000 bills while staffing levels were decreased in fiscal year (FY) 94-95 by eleven positions. To date, inspite of the significant increase in our population, our Department staffing is still below its level six years ago. However, the Tax Collector Division, where the majority of the layoffs occurred, continues to excel and increase the dollars collected.

## Budget Summary

### Plan for Support of the County's Strategic Priorities:

The Treasurer-Tax Collector will continue to pursue all major year 2000 service plan goals in support of County strategic priorities. We will continue to provide an effective, responsive, and competitive organizational and operating structure. Staff will work diligently to meet our core business responsibilities of collecting and investing while supporting the successful implementation of new corporate programs. We will work diligently to implement both the organizational performance measurement program (ROG) and the employee pay for performance program (PIP). In addition, the challenges of decentralization will continue to be a strong forward focus for this department.

### Changes Included in the Recommended Base Budget:

Lease-purchase of a Treasury Work Station for \$180,000 in Fiscal Year 00-01 to enhance cash forecasting and automate the investment desk.

Increase costs in banking services by \$432,100 due to credit card usage.

Allocation of property liability insurance to departments of \$145,813.

## Approved Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
<b>Tax Collector</b> <b>Amount: .....\$ 227,019</b>	3 multi-purpose facilitators for peak period workloads & one decentralized purchasing position.	Improve customer svc, reduce deflected phone call percentage, more timely tax payment processing.	074-001

## Final Budget and History:

Sources and Uses	FY 1998-99 Actual Exp/Rev <sup>(1)</sup>	FY 1999-00 Final Budget	FY 1999-00 Actual Exp/Rev <sup>(1)</sup>	FY 2000-01 Final Budget	Change from FY 99-00 Actual	
					Amount	Percent
Total Positions	N/A	85	N/A	89	89	N/A
Total Revenues	5,299,858	5,046,990	6,860,236	6,550,188	(310,048)	-4.52
Total Requirements	7,512,313	7,057,858	8,121,277	8,862,155	740,878	9.12
Net County Cost	2,212,455	2,010,868	1,261,041	2,311,967	1,050,926	83.34

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 1999-00 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: TREASURER-TAX COLLECTOR in the Appendix on page 494.

## Highlights of Key Trends:

- We are an administrative function that is task-oriented and focused on a more efficient process. We expect our investment results to consistently outperform our benchmarks. We will continue to provide our constituents with outstanding collections and depositing services.
- The Fiscal Year 2000-2001 will see several of our Business Plan initiatives reflected in our proposed budget. The significant cost items are: (a) Increase in Salaries

and Employee Benefits by \$193,452 to enable us to attract and retain staff who are committed to maintain high standards of public service, (b) Acquisition of Equipment for \$241,600 mainly due to a lease-purchase of a Treasury Work Station and purchase of Microsoft Office Products for compatibility with reporting requirements of the County, and (c) Increase in Services and Supplies by \$412,350 due to fees paid for credit card usage, postage expense and acquisition of minor controlled equipment.

## Budget Units Under Agency Control

No.	Agency Name	Treasurer-tax Collector	Treasurer	Tax Collector	Total
074	Treasurer-tax Collector	278,723	3,242,795	5,340,637	8,862,155
107	Remittance Processing Equipment Replacement	85,912	0	0	85,912
<b>Total</b>		<b>364,635</b>	<b>3,242,795</b>	<b>5,340,637</b>	<b>8,948,067</b>